



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

# **The St. Stephens Indian School Educational Association, Inc., Needs To Improve Financial Accountability for Federal Funds**

**This is a revised version of the report prepared for public release.**



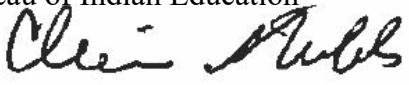
OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

**MAR 30 2021**

Memorandum

To: Darryl LaCounte  
Director, Bureau of Indian Affairs

Tony L. Dearman  
Director, Bureau of Indian Education

From: Chris Stubbs   
Director, Office of Financial and Contract Audits

Subject: Final Audit Report – *The St. Stephens Indian School Educational Association, Inc., Needs To Improve Financial Accountability for Federal Funds*  
Report No. 2019-FIN-058

This report presents the results of our audit of Agreement Nos. A17AV00656, A16AV00812, and A15AV00702 between the Bureau of Indian Education (BIE) and St. Stephens Indian School Educational Association, Inc., which provided St. Stephens a total of \$12.5 million to operate elementary (K – 8) and high (9 – 12) school facilities owned by the Bureau of Indian Affairs (BIA) between July 2015 and June 2018.

We conducted this audit to determine whether agreement expenses were allowable and St. Stephens complied with applicable laws and regulations, BIE and BIA guidelines, and agreement terms and conditions. We reviewed transactions charged to the agreements totaling \$5.8 million. Attachment 1 provides the audit scope and methodology.

We found multiple instances in which St. Stephens did not use agreement funds for allowable activities and did not comply with applicable Federal regulations and agreement provisions, which led us to identify \$442,632 in funds that could be put to better use and question \$35,432 of St. Stephens' claimed costs. In addition, we determined that the BIE did not consistently oversee St. Stephens agreements in accordance with applicable regulations and BIA policy.

We make 11 recommendations to help the BIE and the BIA resolve questioned costs and provide better oversight to St. Stephens. Based on the response to our draft report, we consider Recommendations 1 – 4 to be unresolved and Recommendations 5 – 11 to be resolved but not implemented. We will refer the recommendations to the Office of Policy, Management and Budget for resolution and implementation tracking. In our recommendations summary at the end of the report, we note our concern regarding the timing proposed for implementation of the recommendations, as the earliest target date is December 31, 2021.

## Background

The BIA Rocky Mountain Region requested an audit of St. Stephens because of its concerns that minor improvement and repair funds could not be accounted for and allegations made by a prior employee that funds provided to St. Stephens had been misused.

St. Stephens was formed on April 21, 1975, to take over operation of school facilities owned by the BIA and located on the Wind River Indian Reservation in St. Stephens, WY. The schools had been previously operated by the St. Stephens Indian Mission, Inc.

## Results of Audit

We found multiple instances in which St. Stephens did not use agreement funds for allowable activities and did not comply with applicable Federal regulations and agreement provisions. Specifically, we found that St. Stephens:

- Did not account for BIA funds for minor improvement and repair projects
- Claimed employer-provided housing program costs without approval
- Charged costs without sufficient supporting documentation for travel by St. Stephens staff and board members
- Misused BIE funds to pay for repairs to a St. Stephens board member's vehicle and for dependents to travel with employees

In addition, we found that the BIE did not consistently oversee the agreements with St. Stephens in accordance with applicable regulations and BIA policy.

We identified \$442,632 in funds that could be put to better use and questioned \$35,432 as claimed costs that were ineligible and insufficiently supported. See Attachment 2 for a summary of monetary impact of these questioned costs.

### **St. Stephens Did Not Properly Account for BIA Funds for Minor Improvement and Repair Projects—Funds To Be Put To Better Use of \$442,632**

We found that St. Stephens did not properly account for BIA funds for minor improvement and repair projects, and we accordingly question \$442,632 as funds that could be put to better use. Specifically, St. Stephens (1) used BIE operations and maintenance funds to complete projects that should have been paid for using BIA minor improvement and repair funds and (2) did not maintain sufficient documentation to trace which projects the funds were spent on. In addition, St. Stephens staff have not updated or tracked projects in the BIA's asset management system, called Maximo, since 2015, because St. Stephens did not have staff who were trained to update the system.

St. Stephens' agreement with the BIE defines which funds to use for particular projects and requires control and monitoring over all obligations and expenditures. BIA minor improvement and repair funds may be used only to correct urgent deficiencies that cost less than \$250,000 at education, public safety, and justice facilities. The BIA Division of Facilities Management and Construction uses Maximo to help administer this program, which includes projects costing between \$2,500 and \$250,000. During our review, Maximo listed 16 open St. Stephens projects with a total value of \$382,534. St. Stephens told us that all but one of the projects had been completed but that they had not updated the projects in the system since 2015.

We found the following instances in which St. Stephens did not track or sufficiently document its use of BIA minor improvement and repair funds:

- In the St. Stephens' 2017 and 2018 single audits, we identified \$442,632 in minor improvement and repair funds that St. Stephens held for certain projects and carried over from year to year. St. Stephens officials told us that St. Stephens saved the carrying balance by completing the projects with BIE operations and maintenance funds instead of BIA minor improvement and repair funds. We question the entire \$442,632 because St. Stephens should have used BIA minor improvement and repair funds for these projects.
- We found that St. Stephens did not always obtain adequate supporting documentation to trace the minor improvement and repair funds to a specific project and used at least \$368,897 of minor improvement and repair funds to repair three homes that were leased from the [REDACTED] and not owned by the BIA. Prior to our audit, St. Stephens transferred \$400,000 from its investment accounts to the BIA minor improvement and repair fund to cover what it estimated was spent on the home repairs, which leaves \$31,133 that St. Stephens returned to the BIA over the cost of the mission homes repairs.

As a result, we question \$442,632 as funds to be put to better use.

### **St. Stephens Claimed Employer-Provided Housing Program Costs Without Approval—Questioned Costs of \$4,767**

We found that in 2015 St. Stephens started using BIE funds to provide employer housing to recruit and retain key positions—specifically, for the superintendent and for the principals of the elementary and high schools—without the required approval. To be an allowable cost, employer-provided housing must be approved in advance (per 2 C.F.R. § 200.445). In addition, the U.S. Department of the Interior's *Housing Management Handbook* requires a housing requirements analysis to ascertain the need for housing, which in this case the BIE must review and approve. St. Stephens officials told us they completed the needs assessment and submitted it to the BIA in 2015, but neither St. Stephens nor the BIA or the BIE could provide us with a copy of the completed assessment.

In April 2015, St. Stephens entered into a 10-year lease, rent free, from the [REDACTED] [REDACTED] for three residences and a four-stall garage on the St. Stephens Indian Mission. In exchange, St. Stephens agreed to repair and maintain the homes and outbuildings at its own cost.

St. Stephens estimated it spent \$400,000 of BIA funds to repair the three mission homes, which St. Stephens repaid to the BIA (as described in the previous finding). In addition, from July 2016 through June 2018, St. Stephens spent \$4,767 of BIE funds for utilities and maintenance on the three mission homes, without approval from BIA and BIE staff. Therefore, we question the \$4,767 spent on utilities and maintenance for the mission homes as ineligible costs.

Throughout 2019, St. Stephens officials contacted the BIA and the BIE for guidance on their employer-provided housing program. BIE officials provided a housing policy for St. Stephens to follow but were unable to provide the requested example of a needs assessment. BIA facilities officials referred us to the *Housing Management Handbook* for guidance on employer-provided housing. The handbook guidance, however, applies only to Government-owned properties; it does not apply to the mission homes because the custody of the housing units was transferred to St. Stephens (a non-Federal entity) pursuant to the lease signed in 2015.

Employer-provided housing is a common practice in education. Typically, housing is on school property and employees are charged rent. Because of the unique structure of the lease and the location of the mission homes, St. Stephens needs guidance from the BIE and the BIA on how to implement an employer-provided housing policy that complies with Federal regulations.

#### **St. Stephens Charged Travel Costs Without Sufficient Supporting Documentation—Questioned Costs of \$26,835**

We reviewed a total of \$55,445 in travel costs spent between July 2016 and June 2018 to determine whether sufficient documentation was provided. We found St. Stephens did not consistently support travel costs with sufficient documentation such as completed travel authorizations that included a justification for the travel and signed approval from a supervisor or actual receipts. For example, we identified five transactions totaling \$16,311 for hotel stays for which the supporting documentation was hotel confirmations, not the actual receipts. We found an additional 16 transactions totaling \$10,524 that also did not have actual receipts to support the costs. Without receipts to support the actual costs, we are unable to verify that these were allowable travel costs. As a result, we identified \$26,835 in insufficiently supported travel costs.

According to 2 C.F.R. § 200.444, travel costs are an allowable expense for transportation, lodging, and related items incurred by employees who are in travel status on official business of the non-Federal entity. In addition, 2 C.F.R. § 200.474(a) requires that the employee also comply with the non-Federal entity's written travel reimbursement policies. St. Stephens travel guidance states, "Personnel and school officials who are required to travel as part of their authorized duties will complete a travel request signed by their supervisor and superintendent. Out-of-state travel requires approval of the Board of Trustees. Incomplete travel requests will not be submitted for approval." In addition, the St. Stephens guidance requires travelers to attach all receipts to their travel request and submit to the business office within 3 days after returning from a trip. Receipts should be provided for travel, lodging, food, and any taxi or car rental fees, and similar expenditures. According to the guidance, receipts are necessary for any reimbursement.

## **St. Stephens Misused Funds for Repair of a Board Member's Vehicle and for Dependent Travel—Questioned Costs of \$3,830**

In April 2017, St. Stephens authorized payment of \$3,880 to repair a board member's personal vehicle. The board member had made two payments of \$25 over the last 2 years to cover the cost of the repairs; if this approach were to continue, it will take approximately 153 years for the board member to finish paying back St. Stephens. According to 2 C.F.R. § 200.445(a), costs of goods or services for personal use of the non-Federal entity's employees are unallowable. Therefore, we question \$3,830.

In addition, St. Stephens spent \$8,397 to send five employees and six dependents to Hawaii for the employees to attend a workplace wellness conference.<sup>1</sup> The travel authorizations for the five employees were not completed to justify the need for these employees to attend a conference in Hawaii; however, the school board did approve the trip. According to 2 C.F.R. § 200.474(c)(2), travel costs for dependents are unallowable, except for travel lasting 6 months or more with prior approval of the Federal awarding agency.

Out of the \$8,397, the cost to fly the employees' dependents to Hawaii was \$4,204. While St. Stephens recovered \$4,334 through payroll reductions (which was \$130 more than the cost of the trip for the dependents), this payback went into a payroll account and not the original fund used to pay for the travel. By not ensuring the funds were transferred back to the original account, St. Stephens was left short on funds intended to improve student achievements and provide for professional development of teachers.

### **The BIE Did Not Provide Adequate Oversight**

The BIE did not consistently oversee the agreements with St. Stephens in accordance with applicable regulations and BIA policy. Specifically, the BIE did not perform a timely or thorough review of financial status reports and was unaware St. Stephens implemented and charged costs related to employer-provided housing until the matter was raised during our audit fieldwork.

We identified significant amounts overreported and underreported on the Federal financial status reports submitted by St. Stephens when compared to amounts in its accounting records. The BIE has no process or procedures to review the financial status reports. We note that, had BIE staff, at a minimum, checked whether the amounts reported by St. Stephens matched the amounts received, they would have noticed St. Stephens was reporting more funds than were provided. Figure 1 provides a summary of the discrepancies in amounts reported and actually received, by agreement.

---

<sup>1</sup> The conference itself was 3 days; the additional 5 days approved by the school board were travel days.

**Figure 1: Amounts Reported vs. Amounts in St. Stephens' Accounting Records**

<b>Agreement</b>	<b>St. Stephens Reported (\$)</b>	<b>Accounting Records (\$)</b>	<b>Difference Over/(Under) (\$)</b>
<b>A17AV00656</b>			
Total funds drawn	4,652,002	4,187,273	464,729
Total expenditures	3,353,894	4,995,045	(1,641,151)
<b>A16AV00812</b>			
Total funds drawn	3,761,793	3,759,793	2,000
Total expenditures	4,556,646	5,300,757	(744,111)
<b>A15AV00702</b>			
Total funds drawn	4,765,861	4,156,184	609,677
Total expenditures	4,486,086	3,953,542	532,544

## **Conclusion and Recommendations**

Our review of claimed costs revealed multiple instances in which St. Stephens did not use agreement funds for allowable activities and did not comply with applicable Federal regulations and agreement provisions, resulting in \$442,632 in funds that could be put to better use and \$35,432 in questioned costs. In addition, the BIE did not consistently oversee the St. Stephens agreements in accordance with applicable regulations and BIE and BIA policies.

We make 11 recommendations to help the BIA and the BIE provide oversight and help ensure St. Stephens accounts for the funds it receives from the Federal Government.

We recommend that the BIA Division of Facilities Management and Construction:

1. Require St. Stephens staff to complete training in the Maximo system
2. Ensure all funded and required minor improvement and repair projects have been completed and identify how much of the carried over \$442,632 in restricted minor improvement and repair funds can and should be used to reconcile costs improperly paid from the BIE operations and maintenance fund
3. Resolve the \$31,133 in overpayment of minor improvement and repair costs from St. Stephens to cover the repairs made to the mission homes
4. Coordinate with the BIE to provide guidance to St. Stephens on how to implement a compliant employer-provided housing policy

We recommend that the BIE:

5. Resolve the \$4,767 in questioned costs claimed by St. Stephens for utilities and maintenance for the mission homes
6. Coordinate with the BIA Division of Facilities Management and Construction to provide guidance to St. Stephens on how to implement a compliant employer-provided housing policy
7. Ensure that St. Stephens maintains complete supporting documentation for claimed costs
8. Resolve the \$26,835 in questioned costs claimed by St. Stephens relating to insufficient supporting documentation for travel costs
9. Resolve the \$3,830 in questioned costs claimed by St. Stephens relating to the repairing of a board member's personal vehicle
10. Resolve the \$130 overpayment of travel costs from the employees and ensure that the repaid \$4,204 is moved from the payroll account to the travel account
11. Develop and implement a process and procedures for reviewing financial status reports

We issued a draft version of this report to the BIA and the BIE for review and response. The BIA did not provide a response. In its response, the BIE concurred with Recommendations 1 – 3, 5, and 7 – 11. The BIE partially concurred with Recommendations 4 and 6; the BIE does not disagree with the recommendations but has asked the Solicitor's Office to review whether employer-provided housing for non-BIA owned properties is a permissible expenditure, and it stated that it will use the Solicitor's Office response to inform its implementation of the recommendations.

In addition, the BIE provided target dates and offices responsible for implementation of the recommendations, but the stated timeframe to implement is more than 2 years from the date of the response for four recommendations (Recommendations 4, 6, 8, and 11) and more than 1 year from the date of the response for the remaining seven. The BIE has provided no explanation as to why it could not address these matters more promptly. To the extent possible, the BIE should provide guidance to St. Stephens more promptly and revise the target completion dates in coordination with the Office of Policy, Management and Budget.

Because we did not receive a response from the BIA, we consider Recommendations 1 – 4 to be unresolved. Based on the BIE response, we consider Recommendations 5 – 11 to be resolved but not implemented. See Attachment 3 for the full text of the BIE response and Attachment 4 for the status of recommendations.

We will refer all 11 recommendations to the Office of Policy, Management and Budget for resolution and implementation tracking. In addition, we will notify Congress about our



findings and we will report semiannually, as required by law, on actions you have taken to implement the recommendations and on recommendations that have not been implemented. We will also post a public version of this report on our website.

If you have any questions about this report, please contact me at 202-208-5745.

Attachments (4)

# **Attachment 1: Scope and Methodology**

## **Scope**

Our audit scope included \$12.5 million in costs claimed by the St. Stephens Indian School Educational Association, Inc., under three separate agreements—Nos. A17AV00656, A16AV00812, and A15AV00702—with the Bureau of Indian Education (BIE) between July 1, 2015, and June 30, 2018. We reviewed 320 transactions charged to the agreements totaling \$5.8 million. As part of our audit, we reviewed St. Stephens’ compliance with agreement terms and conditions, applicable Federal regulations, and Bureau of Indian Affairs (BIA) and BIE policies and procedures.

## **Methodology**

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We assessed whether internal control was significant to the audit objective. We determined that the St. Stephen’s control activities and the following principles were significant to the audit objectives:

- Management should design control activities to achieve objectives and respond to risks
- Management should implement control activities through policies

To accomplish our objectives, we:

- Reviewed the Code of Federal Regulations pertaining to claimed costs (2 C.F.R. § 200)
- Reviewed the terms and conditions for Agreement Nos. A17AV00656, A16AV00812, and A15AV00702 and St. Stephens’ policies and procedures
- Reviewed St. Stephens’ single audit reports for fiscal years 2016, 2017, and 2018
- Gathered background information on St. Stephens’ work and mission
- Interviewed officials, including BIA, BIE, and St. Stephens management and staff
- Reviewed evidence that supports selected expenditures charged to the agreements

We used and relied on computer-processed data from St. Stephens' accounting systems. To assess the reliability of computer-processed data, we obtained copies of St. Stephens' general ledger from its accounting system and compared the dates and figures in the ledger to source documents. We also reviewed the source documents against information in the general ledger to determine whether facts, dates, and figures contained errors or were incomplete. We also interviewed responsible parties at St. Stephens, the BIA, and the BIE to determine whether the information reviewed to answer our audit objective and report on our audit findings was reliable.

To test payroll costs and nonpayroll direct costs, we selected a judgmental sample of 320 transactions totaling \$5.8 million that St. Stephens claimed under the three agreements. The figure below shows a breakout of each agreement and what we reviewed. These expenditures represented 28.6 percent of all costs charged to the three agreements as of August 15, 2019. For Agreement No. A15AV00702, we selected all transactions relating to the minor improvement and repair fund, and for Agreement Nos. A16AV00812 and A17AV00656 we randomly selected a sample of transactions from the highest percentage of expense categories. We then reviewed source documents supporting the transactions, including timesheets, vendor invoices and receipts, travel vouchers, and charge card statements. Because we selected audit samples for testing on a judgmental rather than statistical basis, we did not project the results of our test to the total population of recorded transactions.

**Number and Value of Transactions for Each Agreement and  
Number and Value of Sample Selected From Each Agreement**

Agreement No.	Universe		Sample		OIG Reviewed	
	Transactions	Value (\$)	Transactions	Value (\$)	% of Transactions	% of Value
<b>A15AV00702</b>	17,140	7.4 million	30	0.7 million	0.2	9.4
<b>A16AV00812</b>	19,430	7.5 million	139	3.7 million	0.7	49.3
<b>A17AV00656</b>	20,955	5.2 million	151	1.4 million	0.7	26.9
<b>Totals</b>	<b>57,525</b>	<b>\$20.1 million</b>	<b>320</b>	<b>\$5.8 million</b>	<b>0.6</b>	<b>28.9</b>

## Attachment 2: Monetary Impact

Description	Questioned Costs (\$)		Funds To Be Put To Better Use (\$)
	Ineligible	Unsupported	
Restricted minor improvement and repair funds	-	-	442,632
Maintenance and utilities for mission homes	4,767	-	-
Travel	-	26,835	-
Repair of a board member's personal vehicle	3,830	-	-
<b>Totals</b>	<b>\$8,597</b>	<b>\$26,835</b>	<b>\$442,632</b>

## **Attachment 3: Response to Draft Report**

The Bureau of Indian Education's response to our draft report follows on page 13.




# United States Department of the Interior

BUREAU OF INDIAN EDUCATION  
Washington, D.C. 20240

November 16, 2020

## Memorandum

To: Chris Stubbs  
Director, Office of Financial and Contract Audits  
Office of Inspector General

From: Tony L. Dearman   
Director, Bureau of Indian Education

Subject: Draft Evaluation Report – The St. Stephens Indian School Educational Association Inc., Needs to Improve Financial Accountability for Federal Funds Report No. 2019-FIN-058

The Bureau of Indian Education (BIE) appreciates the opportunity to comment on the Office of Inspector General's (OIG) evaluation of issues related to BIE's oversight of St. Stephens Indian School. Addressing the draft report recommendations will improve oversight and ensure that students at St. Stephens receive a high-quality education. Below is a summary of actions already taken as well as plans to implement the OIG recommendations.

### **Recommendation 1**

Require St. Stephens staff to complete training in the Maximo system.

**Response:** Concur.

BIE and the BIA Division of Facilities Management and Construction (DFMC) will ensure that all relevant St. Stephens staff complete required Maximo system training.

**Responsible Official:** Director, BIE and Indian Affairs Deputy Assistant Secretary – Management (DAS-M).

**Target Date:** December 31, 2021.

### **Recommendation 2**

Ensure all funded and required minor improvement and repair projects have been completed and identify how much of the carried over \$442,632 in restricted minor improvement and repair funds can and should be used to reconcile costs improperly paid from the BIE operations and maintenance fund.

**Response:** Concur.

BIE and DFMC leadership will review all required minor improvement and repair projects for completion and identify which projects should be used to reconcile costs improperly paid from the BIE operations and maintenance fund.

**Responsible Official:** Director, BIE and DAS-M.

**Target Date:** December 31, 2021.

**Recommendation 3**

Resolve the \$31,133 in overpayment of minor improvement and repair costs from St. Stephens to cover the repairs made to the mission homes.

**Response:** Concur.

BIE and DAS-M will ensure that the \$31,133 overpayment costs are resolved.

**Responsible Official:** Director, BIE and DAS-M.

**Target Date:** December 31, 2021.

**Recommendation 4**

Coordinate with the BIE to provide guidance to St. Stephens on how to implement a compliant employer-provided housing policy.

**Response:** Partially concur.

Upon receipt of the Draft Report the BIE and DAS-M requested the Solicitor's Office review of recommendations 4 and 6 and consider whether employer-provided housing for non-BIA owned properties was a permissible expenditure. The Solicitor's Office advised BIE and DAS-M that the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA) Title II, Part A funds could be used for non-BIA owned employer-provided housing if such an expenditure is part of a strategy to recruit and retain teachers and principals. Accordingly, BIE and DAS-M will work to provide guidance to St. Stephens, which is limited in scope to Title II, Part A ESSA funds.

**Responsible Official:** Director, BIE and DAS-M.

**Target Date:** September 1, 2022.

**Recommendation 5**

Resolve the \$4,767 in questioned costs claimed by St. Stephens for utilities and maintenance for the mission homes.

**Response:** Concur.

BIE will resolve the \$4,767 in utilities and maintenance related questioned costs.

**Responsible Official:** Director, BIE.

**Target Date:** December 31, 2021.

**Recommendation 6**

Coordinate with BIA Division of Facilities Management and Construction to provide guidance to St. Stephens on how to implement a compliant employer-provided housing policy.

**Response:** Partially concur.

Upon receipt of the Draft Report the BIE and DAS-M requested the Solicitor's Office of review recommendations 4 and 6 and consider whether employer-provided housing for non-BIA owned properties was a permissible expenditure. The Solicitor's Office advised BIE and DAS-M that the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA) Title II, Part A funds could be used for non-BIA owned employer-provided housing if such an expenditure is part of a strategy to recruit and retain teachers and principals. Accordingly, BIE and DAS-M will work to provide guidance to St. Stephens, which is limited in scope to Title II, Part A ESSA funds.



**Responsible Official:** Director, BIE and Director, BIA.

**Target Date:** September 1, 2022

**Recommendation 7**

Ensure that St. Stephens maintains complete supporting documentation for claimed costs.

**Response:** Concur.

BIE will review current processes and procedures for completing supporting documentation for expenditures. Following this review the BIE will provide St. Stephens with guidance regarding the completion and maintenance of claimed cost supporting documentation.

**Responsible Official:** Director, BIE.

**Target Date:** December 31, 2021.

**Recommendation 8**

Resolve the \$26,835 in questioned costs claimed by St. Stephens relating to insufficient supporting documentation for travel costs.

**Response:** Concur.

The BIE will resolve the \$26,835 in questioned travel costs. BIE is additionally provide guidance and training to St. Stephens regarding appropriate travel cost documentation.

**Responsible Official:** Director, BIE.

**Target Date:** September 1, 2022.

**Recommendation 9**

Resolve the \$3,830 in questioned costs claimed by St. Stephens relating to the repairing of a board member's personal vehicle.

**Response:** Concur.

The BIE will resolve the \$3,830 in questioned costs regarding a board member's personal vehicle repairs.

**Responsible Official:** Director, BIE.

**Target Date:** December 31, 2021.

**Recommendation 10**

Resolve the \$130 overpayment of travel costs from the employees and ensure that the repaid \$4,204 is moved from the payroll account to the travel account.

**Response:** Concur.

The BIE will resolve the \$130 travel cost overpayment and ensure that the \$4,204 is correctly moved from the payroll account to the travel account.

**Responsible Official:** Director, BIE.

**Target Date:** December 31, 2021.

**Recommendation 11**

Develop and implement a process and procedures for reviewing financial status reports.



**Response:** Concur.

The BIE will develop and implement a process and procedures for reviewing financial status reports.

**Responsible Official:** Director, BIE.

**Target Date:** September 1, 2022

## Attachment 4: Status of Recommendations

The Bureau of Indian Affairs (BIA) did not respond to our draft report. In its response, the Bureau of Indian Education (BIE) concurred with nine recommendations and partially concurred with two. The BIE response included target dates and offices responsible for each recommendation (see Attachment 3). Because we received no response from the BIA, we consider Recommendations 1 – 4 to be unresolved. Based on the BIE response, we consider Recommendations 5 – 11 to be resolved but not implemented. We will refer all 11 recommendations to the Office of Policy, Management and Budget for resolution and to track their implementation.

We understand that some of these recommendations may require significant coordination between multiple offices, but the BIE's stated timeframe to implement these recommendations remains a concern. Four recommendations will not be addressed for more than 2 years from the date of the response, and the remaining seven will not be addressed for more than 1 year from the date of the response. As noted in the report, we have suggested updating the target implementation dates; in the interim, the BIE should consider additional temporary or partial solutions.

Recommendation	Status	Action Required
1 – 4	Unresolved	We will refer these recommendations to the Office of Policy, Management and Budget for resolution.
5 – 11	Resolved but not implemented	We will refer these recommendations to the Office of Policy, Management and Budget for implementation tracking.

## **Report Fraud, Waste, and Mismanagement**



Fraud, waste, and mismanagement in Government concern everyone: Office of Inspector General staff, departmental employees, and the general public. We actively solicit allegations of any inefficient and wasteful practices, fraud, and mismanagement related to departmental or Insular Area programs and operations. You can report allegations to us in several ways.



---

<b>By Internet:</b>	<a href="http://www.doioig.gov">www.doioig.gov</a>	
<b>By Phone:</b>	24-Hour Toll Free:	800-424-5081
	Washington Metro Area:	202-208-5300
<b>By Fax:</b>	703-487-5402	
<b>By Mail:</b>	U.S. Department of the Interior Office of Inspector General Mail Stop 4428 MIB 1849 C Street, NW. Washington, DC 20240	